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*Legislation expands the Special Inspector General's authority  
to ensure efficient and effective use of taxpayers' dollars*

(Washington, DC) Today, Congressman Russ Carnahan (MO-3) voted for legislation to strengthen oversight of the financial stability fund known as TARP originally introduced by Senator Claire McCaskill. This critical accountability measure has already been passed by the Senate and will be sent to the White House for President Barack Obama's signature.

**"Strengthening oversight of TARP is critical to making sure that taxpayers' dollars are effectively used to get credit flowing to businesses and families and to strengthen our economy,"** said Congressman Carnahan. **"These funds must be invested wisely to ensure the best possible return."**

The bill broadens the authority of the Special Inspector General (SIG) to oversee the financial rescue program enacted last fall by allowing the SIG to audit or investigate any action taken under the financial rescue law as well as giving the SIG authority to hire more auditors and investigators quickly.

It also requires Treasury to explain why any recommendations by the SIG are not followed and mandates the SIG to report to Congress by September 2009 on how recipients of TARP funds are spending taxpayers' dollars.

**"Expanding the role of the independent Special Inspector General's authority will strengthen our ability to oversee the use of American taxpayers' dollars,"** said Carnahan. **"If more is needed, in respect to oversight, I am fully committed to see to it that additional safeguards are implemented."**

Last fall's financial rescue plan was written to maximize the returns to the taxpayers for this investment and provide public accountability for the exercise of the authority.

Recipients of TARP funds were effectively given a free pass by the Bush administration - not helping homeowners and small businesses, but choosing to hoard taxpayer funds, buy other companies, and pay lavish executive bonuses - as symbolized by AIG.

The Inspector General has said he needs more staff to conduct proper oversight, and warned that billions of dollars could be lost to fraud without adequate oversight.

**"Institutions must begin practicing common sense when doing business so that risky bets don't jeopardize the entire financial system again," said Congressman Carnahan. "Today's legislation is an example of new limits on executive compensation, and strengthened accountability and transparency being enacted under President Obama's administration."**

The Treasury Department has already issued new regulations for executive compensation, and the American Recovery and Reinvestment Act expanded them.

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